

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

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FORM X-17A-5 PART III

FACING PAGE
Information Required of Brokers and Dealers Pursuant to Section 17 of the

Securities Exchange Act of 1934 and Rule 17a-5 Thereunder REPORT FOR THE PERIOD BEGINNING AND ENDING A. REGISTRANT IDENTIFICATION NAME OF BROKER-DEALER: BENJAMIN SECURITIES INC. STOTE SECOND ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) 378 SOUTH OYSTER BAY ROAL (No. and Street)
HICKSVILLE NT NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area Code - Telephone Number) **B. ACCOUNTANT IDENTIFICATION** INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report* LOUISE STELIANOUDAKIS CPAame – if individual, state last, first, middle name) 64 FULTON STREET - SUITE 903 NEW YORK, NY 10038 (Address) (City) (Zip Code) Section **CHECK ONE:** Certified Public Accountant DEC 232009 ☐ Public Accountant Washington, DC Accountant not resident in United States or any of its possessions. 106 FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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OATH OR AFFIRMATION

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^{**}For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

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FINANCIAL STATEMENTS

JUNE 30, 2009

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LOUISE STELIANOUDAKIS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Benjamin Securities, Inc.:

I have audited the accompanying balance sheet of Benjamin Securities, Inc. as of June 30, 2009, and the related statements of operations, changes in stockholders' equity, and cash flow for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Benjamin Securities, Inc. as of June 30, 2009, and the results of its operation and cash flow for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit has been made primarily for the purpose of forming the opinion stated in the preceding paragraph. The data contained in Schedules I, II and III, although not considered necessary for a fair presentation of financial position, are presented as supplementary information and have been subjected to the audit procedures applied in the examination of the basic financial statements. In my opinion, this data is fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

August 27, 2009

Louise Stelianoudakes

BALANCE SHEET

JUNE 30, 2009

<u>ASSETS</u>

Current assets:	
Cash and cash equivalents	\$ 13,666
Marketable securities, at market value	57,209
Commissions receivable	14,255
Prepaid expenses and taxes	8,462
1 1	
Total current assets	93,592
Furniture and equipment (net of accumulated depreciation of \$173,171)	5,331
Security deposit	3,795
	\$ <u>102,718</u>
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities:	
Accounts payable and accrued expense	\$ <u>12,931</u>
Stockholders' equity:	
Common stock – no par value: Authorized – 20 shares	
Issued and outstanding – 10 shares	500
Paid in capital	111,590
Deficit	(22,303)
Denen	(22,303)
Total stockholders' equity	89,787
	\$ <u>102,718</u>
The accompanying notes are an integral part of the financial statements.	

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JUNE 30, 2009

Revenue:	
Commissions	\$ 500,039
Advisory fees	104,342
Income from investments	17,490
Postage and handling	16,765
Total revenue	638,636
Expense:	
Clearing fees	68,208
Back office charges	33,563
Commissions (Note 2)	242,453
Professional fees	15,595
Salaries	159,732
Taxes – payroll	18,321
Travel and entertainment	4,667
Insurance	41,736
Equipment rental	5,771
Automobile expense	25,824
Telephone and internet	21,292
Rent	48,000
Advertising	960
Dues and subscriptions	5,803
Depreciation and amortization	1,729
Office expense	39,470
Contributions	670
Medical reimbursement	255
Repairs and maintenance	9,931
Total expense	$\frac{743,980}{743,980}$
Total expense	<u></u>
Loss before loss from investments and taxes	(105,344)
Loss from investments	(55,637)
	(160,981)
Taxes:	
State	117
Federal	(5,722)
	(5,605)
Net loss	\$ <u>(155,376)</u>

The accompanying notes are an integral part of these financial statements. -2-

CHANGES IN STOCKHOLDERS' EQUITY

FOR THE YEAR ENDED JUNE 30, 2009

	Total	Common Stock	Paid in Capital	Retained Earnings/ (Deficit)	Unrealized gain on marketable securities
July 1, 2008	\$ 245,356	\$ 500	\$ 98,950	\$ 143,317	\$ 2,589
Net loss	(155,376)			(155,376)	
Adjustment				2,589	(2,589)
Dividends paid	(12,833)			(12,833)	
Additional Paid in capital	12,640		12,640		
June 30, 2009	\$ <u>89,787</u>	\$ <u>500</u>	\$ <u>111,590</u>	\$ (22,303)	\$ <u>-0-</u>

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED JUNE 30, 2009

	Increase (decrease) <u>in cash</u>
Cash flow from operating activities:	
Net loss Adjustments to reconcile net loss to net cash from operating activities:	\$ <u>(155,376)</u>
Depreciation and amortization Change in assets and liabilities:	1,729
Receivables and other assets Accounts payable and accrued expense	49,471 (26,575)
Total adjustments	24,625
Cash used in operating activities	_(130,751)
Cash flow from investing activities:	
Purchase and sale of marketable securities – net Purchase of equipment	63,576 (262)
Net cash from investing activities	63,314
Cash flow from financing activities:	
Additional paid in capital Dividends paid	12,640 _(12,833)
Net cash used in financing activities	(193)
Net decrease in cash	(67,630)
Cash and cash equivalents at beginning of year	81,296
Cash and cash equivalents at end of year	\$ <u>13,666</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1 – STATEMENT OF ACCOUNTING POLICIES:

Securities transactions are recorded in the accounts on a settlement date basis, generally the third business day after the trade date.

For purpose of the statement of cash flow, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

NOTE 2 – COMMISSION EXPENSE:

Commissions represent amounts paid to account executives based on a percentage of the business they generate for the company. Included in this amount are payments to the officer of the company. A breakdown is as follows:

Officer's commission	\$137,251
Other salesmen	105,202

Total \$242,453

NOTE 3 – RELATED PARTY TRANSACTIONS:

The Company paid rent of \$48,000 to a limited partnership of which a stockholder of the Company acts as the general partner.

NOTE 4 – NET CAPITAL REQUIREMENTS:

As a member of the Financial Industry Regulatory Authority the corporation is subject to the net capital rule (SEC Rule 15c3-1) adopted and administered by FINRA. The rule prohibits a member from engaging in securities transactions at a time when its aggregate indebtedness exceeds 15 times its "net capital" as those terms are defined by the rule. As of June 30, 2009, the corporation's net capital ratio was .2033 to 1 and its net capital was \$63,592 compared with the minimum net capital required of \$5,000.

SCHEDULE I

JUNE 30, 2009

COMPUTATION OF NET CAPITAL

Total ownership equity from balance sheet	\$ 89,787			
Less: Non-allowable assets				
Capital before haircuts	72,199			
Less: Haircut on investments	8,607			
Net capital	\$ <u>63,592</u>			
COMPUTATION OF BASIC NET CAPITAL REQUIREM	<u>ENT</u>			
Minimum net capital required	\$ <u>862</u>			
Minimum dollar net capital requirement	\$ <u>5,000</u>			
Net capital requirement (greater of above)	\$ <u>5,000</u>			
Excess net capital	\$ <u>58,592</u>			
Excess net capital at 1000%				
COMPUTATION OF AGGREGATE INDEBTEDNES	<u>S</u>			
Total liabilities	\$ <u>12,931</u>			
Aggregate indebtedness	\$ <u>12,931</u>			
Percentage of aggregate indebtedness to net capital	20.33%			
Percentage of debt to equity total computed in accordance with Rule 15c3-(d)	<u>N/A</u>			

SCHEDULE II

EXEMPTION CLAIMED OF RESERVE REQUIREMENT

UNDER RULE 15c3 – 3

JUNE 30, 2009

Benjamin Securities, Inc. operates under the k (2) (b) exemption provision to SEC Rule 15c3-3, as all customer transactions are cleared on a fully disclosed basis through another registered broker/dealer, First Clearing, LLC. Benjamin Securities, Inc. appeared to be in compliance with this exemption throughout the year.

SCHEDULE III

RECONCILIATION PURSUANT TO RULE 17a-5(d)(4)

JUNE 30, 2009

	Ownership	Non-allowable assets and	Net	Aggregate	Datia
	<u>Equity</u>	<u>haircuts</u>	<u>Capital</u>	indebtedness	<u>Ratio</u>
Balance per Focus IIA	\$84,949	\$21,751	\$63,198	\$13,220	21.00%
Reclassification		(428)	428	(428)	
Record tax refunds	5,722	5,022	700	(700)	
Adjust depreciation	(597)	(597)			
Additional accrual	(839)		(839)	839	
Payroll correction	452	105	347		
Adjust contribution	100		100		
Haircut adjustment		342	(342)		
Balance per Schedule I	\$ <u>89,787</u>	\$ <u>26,195</u>	\$ <u>63,592</u>	\$ <u>12,931</u>	<u>20.33%</u>

LOUISE STELIANOUDAKIS

To Benjamin Securities, Inc.:

I have examined the financial statements of Benjamin Securities, Inc. as of June 30, 2009 and have issued my report thereon dated August 27, 2009. As part of my examination, I reviewed and tested the system of internal accounting control to the extent I considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America and by Rule 17a-5 under the Securities and Exchange Act of 1934. Rule 17a-5 contemplates that the scope of the review and tests should be sufficient to provide reasonable assurance that any material weaknesses existing at the date of my examination would be disclosed. Under these standards and that Rule the purpose of such evaluation is to establish a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements and to provide a basis for reporting material weaknesses in internal control.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management. However, for the purpose of this report under Rule 17a-5, the cost – benefit relationship has been disregarded in determining weaknesses to be reported.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally my management with respect either to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, and that degree of compliance with the procedures may deteriorate.

My study and evaluation of the system of internal accounting control for the period ended June 30, 2009, which was made for the purposes set forth in the first paragraph above and which would not necessarily disclose all weaknesses in the system which may have existed during the period under review, disclosed no weaknesses that I believe to be material.

I did not find any material weaknesses in internal accounting control or a condition which would reasonably be expected to (a) inhibit the company from promptly completing securities transactions or promptly discharging its responsibilities to customers, other broker/dealers or creditors; (b) result in material financial loss; (c) result in material misstatements of the company's financial statements; or (d) result in violation of the SEC's record keeping or financial responsibility rules to an extent that could reasonably be expected to result in the conditions described in (a), (b) or (c) above.

August 27, 2009

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LOUISE STELIANOUDAKIS

_ Certified Lublic Accountant

Tel: (212) 346-0955 • Fax: (212) 346-0956 64 Fulton Street • Suite 902 • New York, N.Y. 10038

To the Board of Directors of Benjamin Securities, Inc.:

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, I have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [Transitional Assessment Reconciliation (Form SIPC-7T)] to the Securities Investor Protection Corporation (SIPC) for the period from April 1, 2009 to June 30, 2009, which were agreed to by Benjamin Securities, Inc. and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC, solely to assist you and the other specified parties in evaluating Benjamin Securities, Inc.'s compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-Benjamin Securities, Inc.'s management is responsible for Benjamin Securities, Inc.'s compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures I performed and my findings are as follows:

- 1. Compared the listed assessment payments in Form SIPC-7T with respective cash disbursement records entries in the general ledger, the checks cleared in the company's bank statement, and SIPC's acknowledgement of receipt of the payments.
- 2. Compared the total revenue amounts of the audited Form X-17A-5 for the fiscal year ended June 30, 2009 less revenues reported on the FOCUS reports for the period from July 1, 2008, to March 31, 2009 as applicable, with the amounts reported in Form SIPC-7T for the period from April 1, 2009 to June 30, 2009 noting no differences;
- 3. Compared any adjustments reported in Form SIPC-7T with supporting schedules and working papers, (Assessment Analysis of SIPC-7T for the quarter ended June 30, 2009) noting no significant differences;
- 4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers, (Assessment Analysis of SIPC-7T) supporting the adjustments noting no significant differences;

5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7T on which it was originally computed noting no significant differences.

I was not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not to be used by anyone other than these specified parties.

SIPC ASSESSMENT FOR PERIOD APRIL 1, 2009 TO JUNE 30, 2009

Assessment Base Total:

Per assessment reconciliation Form SIPC-7T	\$ <u>74,786</u>
General assessment (.0025 of above amount)	\$ 186.97
Minimum assessment paid December 30, 2008	\$ 150.00
Assessment (greater of general or minimum)	\$ 186.97
Balance with interest paid November 12, 2009	\$ 202.36
Overpayment applied to next assessment period	\$ 15.39

November 30, 2009